Tennessee Department of Agriculture Agricultural Resources Conservation Fund A Report Made to:

House Agriculture Committee
House Conservation and Environment Committee
Senate Commerce, Labor and Agriculture Committee
Senate Environment Committee

February 1, 2007

Background

In 1991 the 97th General Assembly established the Agricultural Nonpoint Water Pollution Control Fund [TCA 67-4-409(I)]. The purpose of the Fund was to implement a program for the abatement and prevention of nonpoint source pollution that may be caused by agricultural activities. Revenue for the program is derived from the Recordation Tax on the transfer of real property from which the Ag Nonpoint Fund receives 1.5 cents per \$100 of property value, or from appropriations of the General Assembly.

In 1997, the General Assembly enacted modifications to the Fund, by renaming it the Agricultural Resources Conservation Fund, and by focusing the program to fund solutions to nonpoint water pollution from agriculture, to educate the landowners, producers, and managers about activities to eliminate nonpoint source pollution, and to fund projects associated with livestock production.

Basically, the Agricultural Resources Conservation Fund provides funding to landowners to install needed Best Management Practices on their lands to eliminate the impairment of the waters of Tennessee from excessive soil loss, and associated pollutant transport. Funds are also available for Information and Education projects, to educate landowners, producers and managers about how to best keep their operations from causing degradation of our streams, lakes, and rivers.

The Water Resources Program within the Department's Administration and Grants Division has the responsibility to administer the Agricultural Resources Conservation Fund.

Program Components

The Agricultural Resources Conservation Fund includes:

- Best Management Practices (BMPs) that control soil erosion from cropland such as terraces, grade stabilization structures, diversions, water and sediment control basins, grassed waterways, field borders, riparian filters, buffer strips and other practices that may be recommended by the United States Department of Agriculture, Natural Resources conservation Service (USDA-NRCS).
- 2. BMPs that control and manage animal waste such as structural systems (lagoons, holding ponds), poultry composters, litter storage facilities, livestock exclusion systems, rotational grazing systems, alternative watering facilities, and other practices recommended by the USDA-NRCS.
- 3. BMPs that prevent or reduce pollution associated with the use of fertilizer and pesticides such as integrated pest management and pesticide containment practices.
- 4. BMPs that maintain or improve water quality and soil productivity and prevent erosion on private forestland. Specific measures include stabilization of abandoned roads, trails, firebreaks, and landings as well as protection, restoration, and improvement of riparian areas.

5. Information and Education projects that promote the adoption of agricultural and forestry BMPs or create public awareness about such activities, such as field days, workshops, Master Logger training, events sponsored by Soil Conservation Districts, and on-farm trials conducted by the University of Tennessee Institute of Agriculture. Up to 5 percent of the total annual revenue from the Fund may be allocated for information and educational purposes.

Program Priorities

As stated in TCA 67-4-409 (I), "It is the intent of the general assembly that the highest priority of the agricultural resources conservation fund is to abate and prevent nonpoint source water pollution that may be associated with agricultural production." Therefore, the Department has developed guidelines for the program, to ensure that the BMPs installed across Tennessee will have a positive effect on the water resources of our state.

Financial History

Consistent with the requirements of TCA 67-4-409(m), the following is a summary of expenditures relative to implementation of the Agricultural Resources Conservation Fund.

Summary of Activities of the Agricultural Resources Conservation Fund

	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	
Revenues Expenditures Grants to Soil Conservation Districts Grants to Multi-County Organizations Number of Farms/Participants Number of Practices Installed Acres Treated/ Stabilized	\$ 1,417,425 \$ 884,389 45 6 515 641 20,881	9 \$ 1,409,323 \$ 67 9 913 886 34,850	\$ 1,620,709 \$ 81 17 1,038 1,181 45,758	2,113,152 \$ 1,780,890 \$ 88 21 1,422 1,431 52,138	2,352,958 \$ 2,364,676 \$ 94 25 1,552 1,638 52,498	3,558,469 2,834,128 95 21 1,680 1,716 40,459	
Animal Waste System Projects	5	26	29	39	38	41	
	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY2003	FY2004
Revenues Expenditures Grants to Soil Conservation Districts Grants to Multi-County Organizations Number of Farms/Participants Number of Practices Installed Acres Treated/ Stabilized Animal Waste System Projects	\$ 2,575,656 \$ 2,855,679 95 20 1,534 1,562 29,228 38 FY 2005			3,103,680 \$ 2,284,724 \$ 95 25 1,195 1,466 18,135 33	3,362,644 \$ 3,538,666 \$ 95 25 1,530 2,292 22,215 71	3,639,596 \$ 2,789,631 \$ 95 17 1,159 1,659 61,052 8	
Revenues Expenditures Grants to Soil Conservation Districts Grants to Multi-County Organizations Number of Farms/Participants Number of Practices Installed Acres Treated/ Stabilized Animal Waste System Projects	\$ 3,051,365.27 \$1,973,241.55 89 8 591 636 25,778 1	\$ 3,489,447.46 \$ 3,378,105.26 89 11 1,112 1,286 56,655 17					

Photographs of Typical BMP Installations



Before and After Grade Control Structure Hardeman County





Winter Cover Crop BMP Followed by No Till Cotton Haywood County



Cropland Conversion to Pasture Madison County



Before and After Grade Control Structure Shelby County





Before and After Heavy Use Area and Alternative Watering Facility Decatur County





Before and After Streambank Stabilization; Duck River Hickman County





Before and After Heavy Use Area for Livestock Feeding Anderson County





Before and After Streambank Stabilization using Bioengineering Techniques Claiborne County





Before and After Stream Crossing with Livestock Exclusion Monroe County





Before and After Livestock Exclusion and Riparian Buffers Sullivan County

